



AC Propulsion and AutoPort, Inc. Partner to Develop Electric Vehicle for US Postal Service Feasibility Study

Among Five Suppliers Selected for the USPS's Evaluation of Electric Vehicle Technology for Its Delivery Fleet, and the Only Solution to Offer Full Vehicle-to-Grid Capabilities

January 20, 2010 – AC Propulsion and AutoPort today announced that they will partner in engineering, development and conversion to provide an Electric Vehicle conversion prototype and report for the United States Postal Service. The USPS chose this as one of five solutions in a feasibility study for the possible conversion of its 142,000 Long Life Vehicles (LLVs) to plug-in Battery Electric Vehicles.

“We are thrilled to partner with AutoPort to present a long-term solution to the US Postal Service,” AC Propulsion CEO Tom Gage said. “Our solution provides the safety and performance required by the USPS, and it will reduce cost, increase efficiency, and improve driveability for the mail carriers.”

With the AC Propulsion and AutoPort solution, the current USPS LLV design will be stripped of the gasoline engine, transmission and other components and refitted with the AC Propulsion AC-150 drive system, an integrated power system that includes an AC induction motor, inverter, charger and 12V power supply. AutoPort will convert the vehicle on-site at its facilities in New Castle, Delaware. The converted vehicle will comply with Guidelines for Electric Vehicle Safety SAE J2344, and all applicable Federal Motor Vehicle Safety Standards.

AC Propulsion and AutoPort's solution offers the low cost of ownership and revenue producing potential of Vehicle-to-Grid (V2G) technology integrated into its drive system: the AC-150 is the only V2G capable drive-train worldwide. “For AutoPort, this is a landmark day in our history, to be one of the companies selected by the USPS to participate in their demonstration project involving the conversion of an LLV to an all Electric Vehicle,” said Roy Kirchner, President of AutoPort. “We believe that electricity is the right fuel for the USPS delivery fleet, and by including V2G capabilities, our solution will give the lowest total cost of operation”

AC Propulsion and AutoPort's solution will be tested against the USPS's requirements at AutoPort's facilities, and then will be placed into service in the DC metro area for at least one year, where they will be monitored for carrier satisfaction, cost of operation and maintenance.

About AC Propulsion

AC Propulsion is the global leader in the development, design and manufacture of electric vehicle technology. AC Propulsion's proprietary tzero™ technology is a complete solution for electric vehicles, and can be customized for every class of electric vehicle, from a sports car to an SUV to an 8-ton city bus.

Products within in tzero™ product suite include:

- Drive System: includes an integrated, bi-directional battery charger, Power Electronics Unit (PEU) and Motor
- Battery Management System: manages and extends battery range and operating life
- Vehicle Management System: controls operation and provides an interface to other components of the vehicle

Engineering Services include:

- Design services: AC Propulsion works with our customers to customize tzero™ technology to suit their needs
- Licensing tzero™ technology: tzero™ technology is available for a non-exclusive license to manufacturers who want to develop and manufacture their own propulsion systems
- Intellectual Property: Our proprietary technology improves vehicle efficiency and range, reduce cost and enhance customer satisfaction with the final product.

AC Propulsion's technology allows for 200 kW or 268 horsepower, up to a 300 mile range at 60 mph and the ability to replenish 90 miles per hour charging in any standard outlet. AC Propulsion is also a leader in the development of Vehicle to Grid (V2G)-capable vehicles, as well as the research and development of V2G technology.

For further information, please visit www.acpropulsion.com

About Autoport

AutoPort Inc. (www.autoportinc.com) is an ISO 9002 certified full service automotive conversion, restyling and processing center located in New Castle, Delaware with a capacity for managing over 100,000 vehicles per year. Established in 1981, the facility encompasses 102 improved acres with five manufacturing and processing buildings totaling 130,000 sq ft under roof. The site is a secured full-lighted site that is completely fenced and gated with 24-hour guard service. Norfolk Southern provides rail service into the site providing easy loading and off loading of vehicles. The current capacity is 60 rail cars per day and the current expansion project will increase that to 90 per day. Part of the 102 acres includes 42 acres leased from the Port of Wilmington and a dedicated road from all properties to the Automobile berth on the Delaware River. The location provides overnight access to over one-third of the U.S. population by rail and truck.

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